Build a SOLID RETIREMENT plan

INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 4 ANNUITY AND SAVINGS PLAN

Stock market changes and your investment strategy

There are two fundamental truths about the stock market. It goes up. It goes down.

If you're worried about market changes, you're not alone

Are you feeling uncomfortable with the ups and downs of the stock market? You're not alone. Stock market volatility can be unsettling, especially when it involves your hard-earned money in the International Union of Operating Engineers (IUOE) Local 4 Annuity and Savings Plan. It can be even more unsettling at a time when everything around you is in flux, like it has been during the COVID-19 pandemic.

To register for a virtual education meeting hosted by MassMutual® on **Thursday, May 7th at 5:45 p.m., ET** visit the IUOE Local 4 Benefit Funds Office website at **www.local4funds.org.**

What causes market volatility?

While many things contribute to stock market movement, the important thing to remember is that with the stock market, volatility is the norm. Fluctuations in price and potential gains or losses are what the stock market is all about. The market reacts to world events, like the COVID-19 pandemic, which has affected rates of employment, supply chains, and investor optimism across the globe.

Many people react to market volatility by changing their investment options in their retirement savings. Changing your investments could be a great idea, as long as you're doing it for the right reasons. For example, gradually shifting your investment mix from aggressive to conservative as you approach retirement; or rebalancing your portfolio on a regular schedule, are both reasonable approaches to long-term investing. Moving all of your money from equities to cash during a market panic may be less so, and you may lose the opportunity to recuperate temporary losses. You should consider talking with your financial professional regarding your personal situation, time horizon and risk tolerance before making changes.

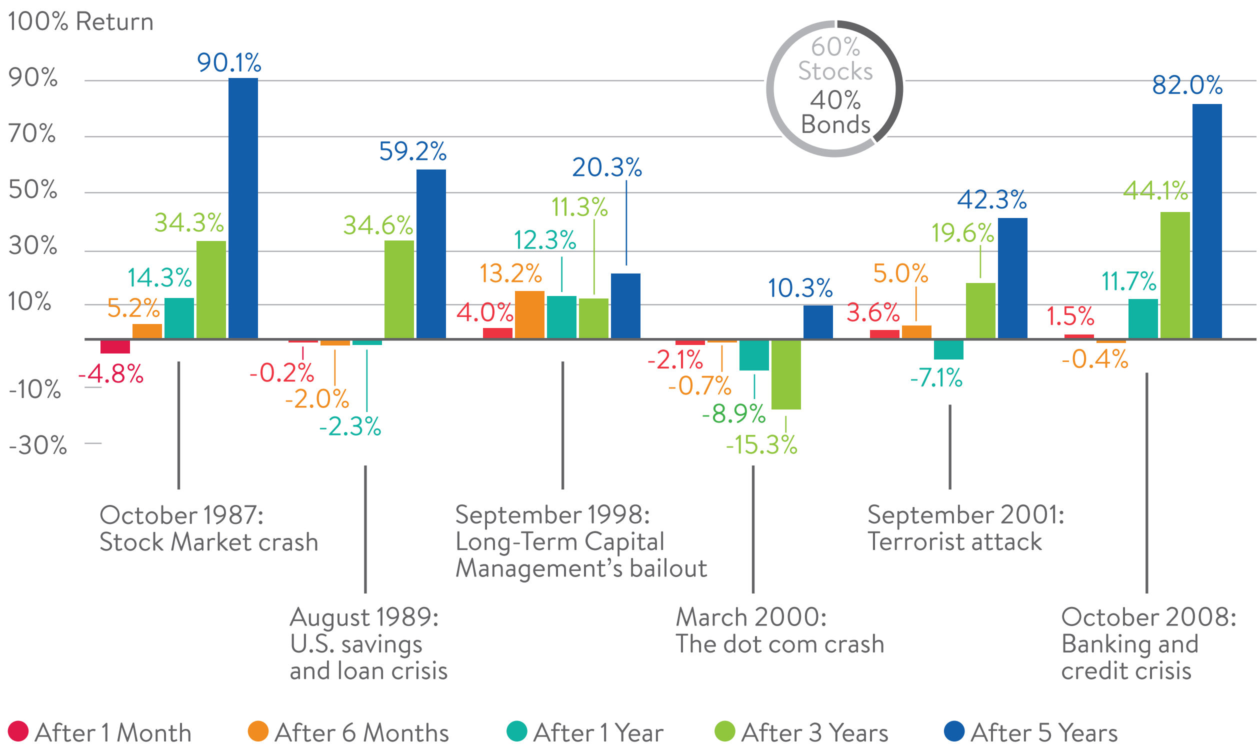
History says stay invested

Understanding how the stock market works is a big step towards being able to stay true to your investment course. Keeping in mind that past performance is no indication of future results, it's important to remember what we can learn from history: the stock market has weathered many serious events in the past like the one that we're currently experiencing. Since 1929, there have been only 16 bear markets.[1] And despite these periodic downturns, the market has consistently recovered and delivered gains in the long-term. In fact, since 1969, the stock market has had a positive return in 42 of the past 50 years.[2]

Let's take a closer look at how the market has rebounded after the major financial crises of the last 30+ years. Following the stock market crash in 1987, the cumulative return of a balanced portfolio was over 34% after just three years – and over 90% after five years. In the wake of September 11th, the cumulative return was over 19% after three years - and 42% after five years. And after the banking and credit crisis in 2008, the cumulative return was over 44% after three years and 82% after five years.

U.S. MARKET RECOVERY AFTER FINANCIAL CRISIS

Cumulative return of a balanced portfolio after various events



Past performance is no guarantee of future results. Returns reflect the percentage change in the index level from the end of the month in which the event occurred to one month, six months, one year, three years and five years after. This is for illustrative purposes only and not indicative of any investment.

An investment cannot be made directly in an index.

[1] 2020, The Balance; U.S. Stock Bear Markets and Their Subsequent Recoveries, www.thebalance.com/u-s-stock-bear-markets-and-their-subsequent-recoveries-2388520

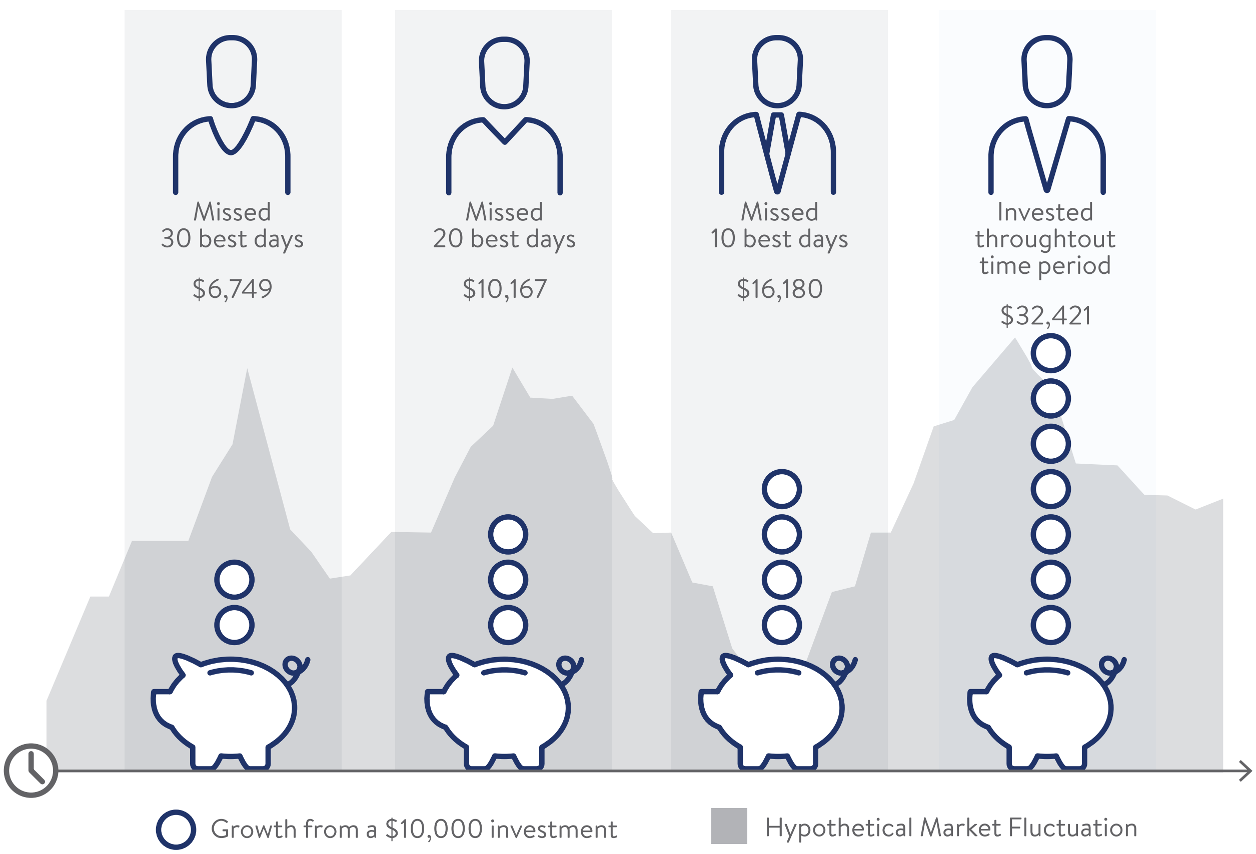
[2] 2018, Morningstar EnCorr. Stock market represented by S&P 500 R Index, www.morningstar.com

Market timing

It is virtually impossible to "time the market." Despite periods of short-term decline, the market's recovery over the long term has rewarded those who remain invested. When you move all of your money from equities into cash during a market panic, you may miss being invested during the days that define a market rebound. Missing just a few of the days with large market gains can have a detrimental long-term impact on your portfolio's returns.

BUY RIGHT AND SIT TIGHT

Jumping in and out of the market may cost your portfolio



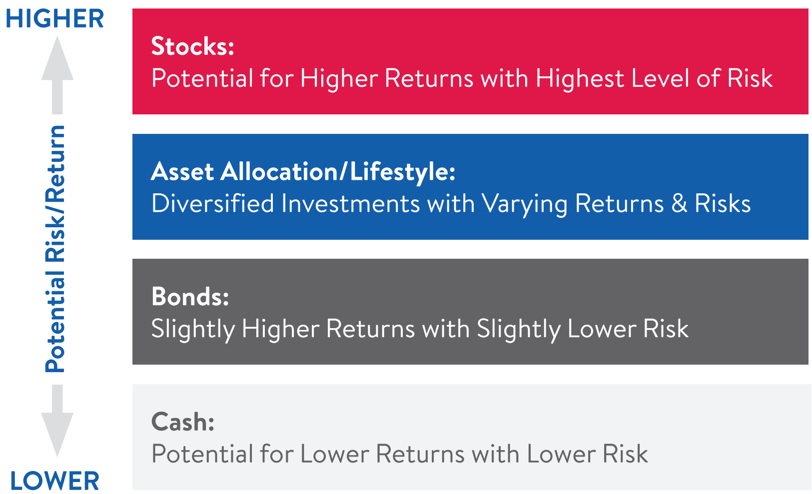
Source: FactSet. Growth of $10,000 in the years ending December 31, 2019.
This hypothetical situation contains assumptions that are intended for illustrative purposes only and are not representative of the performance of any security. There is no assurance similar results can be achieved, and this information should not be relied upon as a specific recommendation to buy or sell securities.

Diversify to spread your risk

During times of market volatility, it's important to remember the fundamentals of a sound, long-term investment strategy. Your best defense is diversification, which means to spread your money within a variety of investment types to reduce your risk and enhance your return. By not "putting all of your eggs in one basket," you can diversify your risk across multiple types of investments: some may stumble, while others may perform well. Diversifying doesn't protect against loss in a declining market but is a sound investment strategy.

If you are not already invested in, or you don't have the confidence to select, individual investments to diversify your portfolio, you may want to consider investing in one or more of the American Century Collective Investment Trust Retirement Date portfolio options available in the IUOE Local 4 Annuity and Savings Plan. These portfolios are managed by experienced professionals and are designed to provide a simple investment solution by providing a diversified portfolio of stock funds, bond funds and money market funds. These portfolios follow a pre-set asset allocation schedule that's designed to provide the appropriate trade-off between risk and reward potential based on your age and planned retirement date.

INVESTMENT BASICS: RISK/RETURN



Revisit your goals and stick to your plan

Before you decide to make changes to your investments, don't act on impulse. By selling when prices are down, you may miss out on the chance to recover when the market rebounds. Make sure you've considered your personal saving goals, risk tolerance, age and time horizon for retirement along with the impact that short-term changes might have on your long-term strategy.

We're here to help

We're all in this together. Creating a game plan for what's happening now — and what's happening next — can help you maintain confidence through market ups and downs. For up-to-date economic insights and market commentaries, visit **www.retiresmart.com.** MassMutual® representatives are also available to assist you at no cost Monday through Friday from 8:00 a.m. — 8:00 p.m. at **1-800-743-5274**.

If you have concerns or questions about your retirement savings and investments during volatile market conditions, **join us for a virtual education meeting hosted by MassMutual on Thursday, May 7th at 5:45 p.m.** To register, visit the IUOE Local 4 Benefit Funds Office website at **www.local4funds.org**.

You can also contact Cammack Retirement Group at **1-781-237-2291** or **info@cammackretirement.com** for assistance at no cost to help you reach your retirement plan goals.

The information provided is not written or intended as specific tax or legal advice. MassMutual, its subsidiaries, employees and representatives are not authorized to give tax or legal advice. Individuals are encouraged to seek advice from their own tax or legal counsel.

This is not intended to serve as investment advice or a recommendation to buy or sell any product or service. Please contact a financial professional to discuss your own personal circumstances.

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from the IUOE Local 4 Benefit Funds Office and should be read carefully before investing.